



HOW TO DO BUSINESS WITH THE TOWN OF ADDISON

This guide is intended to give a brief insight into the Town of Addison's procurement process. The Town of Addison's procurement philosophy is that competitive participation by the business community benefits everyone. While this guide does not encompass every detail of all policies, practices and statutes governing purchasing, it does provide basic information regarding Addison's procurement practices.

The Purchasing Division is responsible for the coordination of the purchase of all supplies and equipment necessary for the delivery of municipal services, as well as construction and professional services. Purchasing distributes all bid invitations over \$25,000.

HOW TO CONTACT PURCHASING:

The Town of Addison's Purchasing Division is located in the Addison Finance Building located at 5350 Belt Line Road (between the Dallas North Tollway and Preston Road). Normal business hours are 8:00 a.m. to 5:00 p.m. The mailing address for Purchasing is P.O. Box 9010, Addison, TX 75001.

You can contact Purchasing at 972-450-7089 or at purchasing@ci.addison.tx.us

COMMITMENT TO VENDORS AND CONTRACTORS:

We believe in competition; therefore the Town of Addison is committed to giving all vendors and contractors an equal chance to do business with the Town. We are also committed to making it as easy as possible for you to do business with the Town, consistent with the rules we must follow.

RULES WE FOLLOW:

Purchasing is subject to the Town's Charter, State Statutes, City Ordinances, and the Town of Addison's Purchasing Manual in carrying out the Town's Purchasing Policies and Procedures. We feel that the rules result in open and fair competition for our vendors and contractors and the best value for our taxpayers.

ENCOURAGE PARTICIPATION:

We want all qualified vendors of goods and services to participate in the bidding process. We do not give preferences to any vendors; however, we encourage participation by Historically Underutilized Businesses (HUB) vendors.

PROCUREMENT METHODS:

The Town of Addison employs the following methods to procure goods and services

- *Purchases in amounts of \$1 - \$3,000* – may be made on the basis one quotation, coordinated by individual departments
- *Purchases in amounts of \$3,001 - \$24,999* – are required to be made on the basis of three quotations, taking into consideration the State Law requiring Historically Underutilized Business involvement, coordinated by individual departments
- *Purchases in amounts of \$25,000 or greater* – are subject to the requirements of the competitive bid process unless specifically exempted by State Law

BIDDING METHODS:

The Town of Addison utilizes competitive bidding for the contracting of goods and services in amounts greater than \$25,000 unless specifically exempted by State Law. Since competitive bidding is the foundation of Town purchases, we make every effort to continually seek sources that have the capabilities to meet the needs of the Town at competitive prices.

- *Request for Sealed Bids* – Unless specifically exempted by State Law, municipal purchases exceeding \$25,000 must be awarded based on the sealed bid process. This process includes advertisement for bids, receipt of sealed bids in accordance with State law and specifications, public opening of bids and award of contract by the City Council.
- *Request for Proposals* – The Town of Addison utilizes the Request for Proposal (RFP method) when procuring professional services and some goods and services. The method is used when the competitive bid process is not suitable, as in the case of certain professional services identified in Texas Local Government Code. The RFP provides to the potential vendor information such as general scope of services, time frame, specifications and specific criteria to be used when evaluating a vendor's proposal. We request the vendor provide information such as an understanding of the work to be completed, a description of the approach to be used and pricing data, so the cost to the Town for the project can be adequately considered.
- *Request for Qualifications* – When procuring architectural, engineering, or land surveying services, the Town of Addison uses a two-step selection process. First, the Town asks interested businesses to submit information regarding their qualifications. The Town then selects an individual or firm capable of performing the service, on the basis of demonstrated competence and qualifications. Finally, the Town enters into negotiations on a contract at a fair and reasonable price.

BID INFORMATION:

The Town of Addison does not maintain its own “vendor list”. Vendors interested in doing business with the Town of Addison should register through the Internet at www.demandstar.com for notification of bids.

Bid information is also available at the Finance Building, 5350 Belt Line Road, Addison, TX 75254 or by contacting Purchasing at 972-450-7089.

SUBMISSION OF BIDS:

Sealed bids must be received by Purchasing prior to the due date and time or the bid will be considered to be non-responsive. Bids received after the due date/time or faxed bids are not accepted.

Bid openings are public. Your company is welcome to attend whether or not engaged in bidding.

Bids may be modified by written notice or in person. However, the modification may only be made prior to the hour and date set for receipt of bids. To maintain the integrity of the bidding process, a bid that has been opened by the Town is not subject to alteration for the purpose of correcting an error in the bid price. This policy does not remove the right of the bidder to withdraw a bid prior to the bid opening.

EVALUATION OF BIDS:

It is the policy of the Town of Addison to purchase from suppliers who have adequate financial resource, strong management and service capabilities, high ethical standards and the ability to provide materials and resources that consistently meet the Town's requirements. Bids are awarded in two manners – Lowest Responsible Bid and Best Value Bid:

- *Lowest Responsible Bid* – The Town evaluates bid response to determine if the response meets our specifications and if this is a “responsible” bidder. If the Town determines that the lowest bid does meet the specifications and is a “responsible” bidder, state law requires that the bid be awarded to this vendor.
- *Best Value Bid* – In determining the best value for the Town of Addison, the following may be considered: purchase price, reputation of bidder and their good/service, quality of goods/services, extent to which goods/service meets our needs, ability to comply with laws and rules and any other criteria specifically listed in the bid. The Town may award the bid to the bidder which is determined to provide the “best value” to the Town.

BID SECURITY – BONDING:

In order to protect the interests of Addison taxpayer, the Town may require bonding on certain bids and contracts, depending on the dollar amount involved.

Bid Security – Bid security, in form of a certified check or bid bond is required on most bids. The amount of the security is typically 5% of the bid value, but may vary based on the scope of the project.

Performance, Payment and Maintenance Bonds – In connection with any contract for construction or repair of city infrastructure of public building. In accordance with State

statutes, the Town may require a performance bond, payment bond or maintenance bond for specific projects

INSURANCE REQUIREMENTS:

The Town of Addison states the insurance requirements on each bid document. Please review these insurance requirements carefully and consult with your insurance agent prior to submitting a bid, since they cannot be waived. If awarded a contract, the winning bidder is expected to provide an insurance certificate meeting all requirements within ten days.

TAX EXEMPTION:

The Town of Addison is exempt from payment of federal excise and transportation taxes, well as Texas State or local sales and use taxes.

PAYMENT:

The Town of Addison is subject to the State Prompt Payment Act, which requires payment within thirty days of the receipt of both a valid invoice and the acceptance of goods and services. The thirty day period begins when the invoice is received or when goods or services are accepted, whichever is the latest.